



Senate

General Assembly

File No. 85

February Session, 2018

Substitute Senate Bill No. 151

Senate, March 28, 2018

The Committee on Aging reported through SEN. MCCRORY of the 2nd Dist. and SEN. KELLY of the 21st Dist., Chairpersons of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING RETROACTIVE MEDICAID ELIGIBILITY FOR HOME-CARE SERVICES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (h) of section 17b-342 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2018*):

4 (h) An individual who is otherwise eligible for services pursuant to
5 this section shall, as a condition of participation in the program, apply
6 for medical assistance benefits pursuant to section 17b-260 when
7 requested to do so by the department and shall accept such benefits if
8 determined eligible. The Commissioner of Social Services, in
9 accordance with 42 CFR 435.915, shall provide payments for Medicaid
10 eligible services under the medical assistance program retroactive to
11 not more than three months before the date an eligible individual
12 applied for such assistance, provided such applicant has not made a
13 transfer of assets for less than fair market value, as defined in 20 CFR

14 416.1246(b), for purposes of obtaining or maintaining Medicaid
15 eligibility in the sixty months before applying. If the applicant has
16 made such a transfer, the commissioner shall impose a penalty period
17 in accordance with 42 USC 1396p(c)(1)(D)(ii), as amended from time to
18 time.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2018	17b-342(h)
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Statement of Legislative Commissioners:

In Section 1(h), "three months from" was changed to "three months before" for clarity.

AGE *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Social Services, Dept.	GF - Potential Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill may result in a cost to the Department of Social Services (DSS) associated with making retroactive Medicaid payments for enrollees in the Connecticut Home Care Program for Elders (CHCPE), pending the imposition of a penalty period.

For purposes of an example, making retroactive payments for 50 individuals for the three months prior to their application will result in a state Medicaid cost of \$195,000.¹ This assumes an average monthly gross cost per enrollee of \$2,600. In addition, this assumes the approval for such payments by the Centers for Medicare and Medicaid Services (CMS).

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of eligible individuals and their associated cost of care.

Sources: Department of Social Services Caseload Information

¹ In general, Medicaid is 50% funded by the state and 50% funded by the federal government.

OLR Bill Analysis**SB 151*****AN ACT CONCERNING RETROACTIVE MEDICAID ELIGIBILITY FOR HOME-CARE SERVICES.*****SUMMARY**

This bill requires the Department of Social Services (DSS) commissioner to retroactively provide, in accordance with federal regulations, retroactive benefits to applicants to the Connecticut Home Care Program for Elders (CHCPE) for up to three months before the date of their application. In practice and under federal law, DSS already makes retroactive payments for certain other Medicaid-eligible services, including long-term care services.

Under federal law, DSS must impose a penalty period when individuals transfer assets for less than fair market value in the 60 months before applying for Medicaid coverage. The bill requires the penalty period for CHCPE residents to start on the later of the (1) first of the month in which the penalized transfer occurred or (2) date the applicant would have received services if not for the penalty. Under current practice, DSS starts the penalty period on the date the application is approved. Thus, CHCPE recipients would generally receive their benefits sooner under the bill.

EFFECTIVE DATE: October 1, 2018

BACKGROUND***Retroactive Medicaid Payments***

Under federal regulations, individuals are eligible for up to three months of retroactive Medicaid coverage, provided they (1) received Medicaid-covered services during that time and (2) would have been Medicaid eligible if they had applied (42 CFR § 435.915).

Asset Transfer Penalties

In general, the penalty period (in months) is calculated by dividing the value of all assets transferred during the 60 months before application by the average monthly cost of private nursing home care in the state or community. Medicaid does not pay for long-term services and supports during the penalty period. For example, an individual with \$100,000 in transferred assets would incur a 20 month penalty period if the average private pay nursing home rate is \$5,000 per month.

Connecticut Home Care Program for Elders

CHCPE is a Medicaid waiver and state-funded program that provides a range of home- and community-based services for eligible individuals age 65 and older who are at risk of institutionalization. To be eligible for CHCPE, individuals must be under income and asset limits.

COMMITTEE ACTION

Aging Committee

Joint Favorable

Yea 12 Nay 0 (03/15/2018)